



PSC NEWS

Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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MEDIA REMINDER

PSC TO HOLD LOCAL PUBLIC HEARING IN MILL CREEK SEWERS, INC. RATE REQUEST

JEFFERSON CITY--The Missouri Public Service Commission will hold a local public hearing on **January 24, 2005, in Florissant, Missouri** to receive customer comment on a proposed sewer rate increase filed by Mill Creek Sewers, Inc. Customers are also encouraged to attend the local public hearing to provide information on any sewer service related problems.

The local public hearing will be held at the St. Louis County Library, Florissant Valley Branch, located at 195 New Florissant Road. The Public Service Commission Staff will conduct a general information (question and answer) session starting at 5:30 pm. The information session will be followed by the local public hearing which begins at 6:00 pm. The hearing will continue until 9:00 pm, or until all of those who attend the hearing have had an opportunity to speak, whichever is sooner.

Mill Creek Sewers, Inc. filed a rate request with the Public Service Commission on February 20, 2002, seeking to increase sewer revenues by approximately \$43,700 a year. The PSC Staff conducted an audit of the Company's books and records. Based upon that audit, the PSC Staff recommended an increase of approximately \$22,300.

On October 29, 2004, the PSC Staff and Mill Creek Sewers, Inc. filed an agreement regarding the rate increase request. The agreement reflects an increase of approximately \$22,300 in annual sewer revenues. Under that agreement, sewer rates for residential customers would increase from the current monthly rate of \$5.00 to \$30.11 a month.

The proposed increase submitted by the sewer company and the PSC Staff is based upon both working together in an attempt to sell the sewer system to either the St. Louis Metropolitan Sewer District or to the homeowners association in the subdivision where the sewer system is located.

Under the agreement, if a sewer system transfer does not occur by March 31, 2005, through no fault of the company, Mill Creek Sewers, Inc. could file to implement a second rate increase of approximately \$18,766. This increase reflects a return on plant investments and related income taxes not currently reflected in the Company's cost of service used to calculate the agreed-upon revenue increase of \$22,300. If the additional increase were implemented, sewer rates for a residential customer would go from the current monthly rate of \$5.00 to \$51.25 a month.

The agreement is currently before the Commission. **The five Commissioners of the Public Service Commission will ultimately determine what type of increase, if any, should be granted to Mill Creek Sewers, Inc.**

Mill Creek Sewers, Inc. serves approximately 75 residential customers near Florissant, Missouri.